

REMARKS

Applicants reply to the Office Action dated January 28, 2011 within three (3) months. The Examiner rejects all pending claims 17-33. Support for the amendments may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by these amendments. Applicants assert that the application is in condition for allowance and reconsideration of the pending claims is requested.

Rejections Under 35 U.S.C. § 112

The Examiner rejects claims 17-33 under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicants regard as the invention. Applicants respectfully disagree; however, Applicants amend certain pending claims, without prejudice or disclaimer, to further clarify the patentable aspects and to expedite prosecution. As such, Applicants respectfully request withdrawal of the rejection under 35 U.S.C. § 112, second paragraph.

Rejections Under 35 U.S.C. § 103(a)

The Examiner rejects claims 17-33 under 35 U.S.C. § 103(a) as being unpatentable over Fredregill (U.S. Patent Application No. 2005/0144074) in view of Davis (U.S. Patent Application No. 2004/0193491) and further in view of Musharbash (U.S. Patent No. 7,096,164). Applicants respectfully disagree with the Examiner's rejections; however, Applicants amend certain pending claims, without prejudice or disclaimer, to further clarify the patentable aspects and to expedite prosecution.

Fredregill discloses an on-line shopping system that can be associated with a loyalty account. However, Fredregill does not disclose a logic based point conversion ratio based on the type of loyalty points be used and the item being purchase. In fact, Fredregill does not provide a system that is capable of collecting points from various account at a single source.

Davis discloses a computer-enabled certificate program. The system allows a system provider to provide incentives to users in the form of certificates. Like Fredregill, the system of Davis does not disclose a logic based point conversion ratio based on the type of loyalty points be used and the item being purchase.

Musharhash discloses a system and software for the design and sale of electro-mechanical circuits. Moreover, Musharhash does not cure the deficiencies for Fredregill and Davis discussed above.

As such, Applicants assert that the cited references alone or in combination do not disclose or contemplate at least, “determining, by the computer based system, **a conversion ratio for the non-tangible item based on a loyalty point type and the non-type item**” or “calculating, by the computer based system, a first amount of loyalty points and a monetary value of said loyalty points **based on the conversion ratio**, to purchase at least one of (i) the non-tangible item in response to the non-tangible item being an independent item, and (ii) the non-tangible item and the associated independent item in response to the non-tangible item being a dependent item, wherein an amount of loyalty points for the purchase is displayed in response to a first loyalty account having a balance that is lower than the first amount of loyalty points, **wherein a point conversion calculator is displayed in response to the conversion ratio not being 1 to 1, and wherein a points conversion calculator is not displayed in response to the conversion being 1 to 1**” (emphasis added), as similarly recited in independent claims 17, 27 and 28.

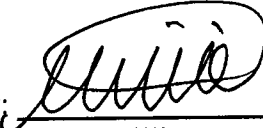
Furthermore, claims 18-26 and 29-33 variously depend from independent claim 17. As such, Applicants assert that claims 18-26 and 29-33 are differentiated from the cited references for the same reasons as set forth above, in addition to their own novel features. Thus, Applicants respectfully request allowance of all pending claims.

When a phrase similar to “at least one of A, B, or C” or “at least one of A, B, and C” is used in the claims or specification, Applicants intend the phrase to mean any of the following: (1) at least one of A; (2) at least one of B; (3) at least one of C; (4) at least one of A and at least one of B; (5) at least one of B and at least one of C; (6) at least one of A and at least one of C; or (7) at least one of A, at least one of B, and at least one of C.

Applicants respectfully submit that the pending claims are in condition for allowance. The Commissioner is hereby authorized to charge any fees which may be required, or credit any overpayment, to Deposit Account No. **19-2814**. If an extension of time is necessary, please accept this as a petition therefore. Applicants invite the Office to telephone the undersigned if the Examiner has any questions regarding this Reply or the present application in general.

Respectfully submitted,

Dated: 4/12/2011

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